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1. **NON-CITY CASH FUNDS**

A. Definition - Any continuing fund established for more than 30 days collected from and maintained for the convenience of police employees.

B. General Guidelines

- (1) A non-City cash fund is intended to take care of coffee purchases, etc.
- (2) The Chief of Police will be responsible for ensuring proper procedures are followed in reporting non-City cash funds.
- (3) Non-City cash funds will be kept separate from any City funds.
- (4) The operation of non-City cash funds will not provide distribution of any profits or income to the participants.
- (5) Advances on pay or other similar loans to employees will not be permitted from any non-City cash funds.
- (6) Department bureau/precinct non-City cash fund account balances will not exceed \$5,000 at any given time throughout the calendar year.
- (7) Bureau/precincts will abide by IRS tax code 501(c)(4), Publication 557, regarding "Local Employee Associations," in order to maintain tax exempt status for their respective "cantinas."

C. Responsibility

- (1) Funds are the responsibility of employees and may be maintained for the convenience of employees.
- (2) Employee participation in any such fund is strictly voluntary.
- (3) The City assumes no responsibility for fund losses.

D. Non-City Cash Fund Committee

- (1) All work units with non-City cash funds will establish a committee representing the employees of the work unit.
- (2) The committee will make decisions affecting the fund.
- (3) Items other than normal supplies will require committee approval if the cost is more than \$50.

E. Accountability for Funds

(1) Bank Accounts

- (a) Bank accounts containing non-city cash funds should neither reference the name of the City of Phoenix nor use the City's tax identification number.
- (b) A bank or credit union account for a non-City cash fund may be opened at the discretion of the bureau/precinct using an employer identification number (EIN) or an individual's social security number (SSN)

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1. E. (1) (c) To obtain an EIN, go the IRS website, IRS.gov.

(2) Maintaining Records

- (a) Non-City cash fund records will itemize each transaction with corresponding receipts.
- (b) These records will be kept on a computer spreadsheet or written in ink in a ledger book.
- (c) Any corrections require a single line through the error and the proper amount written beside the error with the initial of the person making the correction.

(3) The individual/s responsible for the fund will conduct Quarterly Audits.

F. Non-City Cash Fund Reports

(1) The Quality Assurance Unit of the Organizational Integrity Bureau (OIB) will report each non-City cash fund to the City Treasurer:

- Annually by July 31st of each year.
- At the time any new non-City cash fund is established

(2) Forms used for reporting this information will be distributed to all bureaus/precincts at the first of the fiscal year.

(3) All required reports will include:

- Purpose for which the fund is maintained
- Name of individual responsible for the fund
- Account number, if the fund is kept in a bank
- Location of the fund (bureau/precinct unit)
- Dollar amount of the fund

(4) Units will submit reports of non-City cash funds by July 10th of each year to the OIB, and they will prepare a consolidated report for the Department.

2. **REIMBURSEMENT FOR EXPENSES INCURRED WHILE ON CITY BUSINESS**

A. Purpose

- (1) To establish Department procedures for reimbursement to police employees for expenses incurred in the conduct of City business.
- (2) This includes small expenses for one-day activities such as business lunches, meetings, conferences and conventions conducted within the county.
- (3) Travel expenses and alcoholic beverages are specifically excluded.
- (4) [Administrative Regulation \(AR\) 2.281](#) governs these expenditures.

B. Expenditure Account

- (1) The reimbursement will be charged to the general ledger account number that is appropriate for the item/service purchased.
- (2) General ledger account numbers can be obtained from the bureau/precinct administrative sergeant or their civilian equivalent, or by calling FMB's accounting section.

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2. B. (3) Reimbursements may not exceed the budgeted amount without written approval by the City Manager's Office.
- (4) No advance payment will be made to an employee.
- C. Approval Guidelines
 - (1) The bureau/precinct commander/administrator who is delegated as the authority in writing must approve all expenses to be reimbursed under this regulation.
 - (2) Prior verbal approval from a division commander will be noted on the Employee Expense Reimbursement Form 150-11D.
- D. Procedures
 - (1) After incurring the expense, the Employee Expense Reimbursement will be completed, and receipts or other proof of expense will be attached.
 - (2) The completed form will be routed through the approving division commander for signature.
 - (3) The completed form will be sent to FMB.
 - FMB will review and approve the reimbursement request and forward the form to the finance department for processing.
3. **PURCHASE REQUESTS** - This policy applies to all Department employees making Department purchases and establishes the method for requesting approved budget expenditures.
 - A. Supply Requests - are for usual commodities such as film, forms, and other office materials stocked at Property Management Unit/Police Supply.
 - (1) Office supplies not normally stocked at Police Supply can be ordered from the contract vendor.
 - (2) Orders for supplies are entered into SAP under inventory reservation.
 - These requests require the approval of the bureau/precinct administrative sergeant.
 - (3) Purchases from the contract vendor require approval of the bureau/precinct administrative sergeant on the order form provided by Police Supply.
 - B. Petty Cash Purchases
 - (1) Petty cash is to be used only for infrequent unanticipated expenditures.
 - (2) Petty cash for commodities can only be requested if the item cannot be obtained through police supply, the contract vendor or the warehouse stock of the City of Phoenix Division of Purchases and Stores.
 - (3) The cost of the item cannot exceed \$100, including tax.

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3. B. (4) A purchase cannot be made from the same vendor or for like items more than once every seven days.
- (5) Employees must write a memorandum that includes:
 - Explanation of the need for the item
 - Name of the vendor where the item may be purchased
 - Cost of the item, to include sales tax
 - Proper cost center and general ledger account numbers from which the purchase will be made
- (6) Cost center and general ledger number are available from the bureau/precinct administrative sergeant, or civilian equivalent, or the FMB accounting section.
- (7) Petty cash purchases must be approved by the bureau/precinct commander/administrator, or lieutenant level designee (the Acting Bureau Commander), within the employee's chain of command.
- (8) Once the purchase is approved, the employee will take the memorandum to FMB, where the employee will obtain a petty cash receipt book.
- (9) The employee will carry the petty cash receipt book to the vendor where the purchase is to be made.
 - The employee will have the vendor sign the petty cash receipt book once the purchase is made.
 - The employee will also sign the book in the space provided.
 - A receipt for the purchase will be obtained from the vendor.
- C. Departmental Purchase of Commodities and Services - Will not exceed \$8,600, including tax, shipping and handling.
 - (1) Department purchases for all commodities and services are completed via eProcurement by entering a shopping cart.
 - (2) Departments can source purchase orders costing \$8,600 or less if not on contract.
 - (3) See [AR 3.10. General Procurement](#) Guidelines for more information.

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